(c) if so, to what extent it has given boost to the exports; and

(d) the other steps being considered in this regard?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI BALASAHEB VIKHE PATIL): (a) to (d) A Task Force has been constituted under the Department of Heavy Industry for promotion of export of capital goods. The Task Force consists of representatives from different Ministries/Departments and Industry Associations. The Government and manufacturing industry are expected to work as partners. The aforesaid Task Force has been recently constituted and it is very early to quantify their impact on exports at this juncture.

Fund for clearance of statutory dues of sick PSUs

2593. SHRI ABANI ROY: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be please to state:

(a) whether government porpose to float a dedicated fund to ensure clearance of statutory dues of crores of rupees payable by sick public sector undertakings;

(b) if so, the sources by which the proposed funds would be generated; and

(c) to what extent the public sector undertakings, which have fallen sick in the past few years, would be benefited?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI BALASAHEB VIKHE PATIL): (a) There is no poposal at present to float a dedicated fund at national level for clearance of statutory dues payable by sick public sector undertakings.

(b) and (c) Do not arise.

Guidelines for FDI in Newspapers and Periodicals

2594. PROF. M. SANKARALINGAM: Will the Minister of INFORMATION AND BROADCASTING be please to state:

(a) the details of the guidelines issued by her Ministry for FDI in newspapers and periodicals dealing with news and current affairs;

(b) the safeguards taken before issuance of the guidelines;

(c) the specific areas where FDI will be allowed;

(d) the major bone of contention before her Ministry in regard to the issuance of guidelines; and

(e) whether the same has been resolved?

THE MINISTER OF INFORMATION AND BROADCASTING (SHRIMATI SUSHMA SWARAJ): (a) to (e) The Government has issued Guidelines for foreign direct investment in Indian entities publishing newspapers and periodicals dealing with news and current affairs. A copy of the Guidelines is enclosed as statement (*See* below). All the concerns expressed in various quarters have been addressed while formulating the guidelines. Adequate safeguards like verification of antecedents of foreign investor, requirement of 3/4th of the Board of Directors being resident Indians, keeping editorial and management control in the hands of resident Indians and ensuring against dispersal of Indian equity have been provided for in the guidelines.

Statement

Guidelines for Foreign Direct Investment in Indian Entities Publishing Newspapers and Periodicals dealing with News and current affairs.

Preamble

The Union Government has decided to allow Foreign Direct Investment (FDI) upto 26% of paid up equity capital in Indian entities publishing newspapers and periodicals dealing with news and current affairs. Such investment would be permissible by foreign entities having sound credentials and international standing, subject to certain conditions.

1. Application

(i) Nine copies of the prescribed application form, duly filled in, alongwith the requisite documents shall be submitted to the Ministry of I&B.

(ii) Application fee of Rs.5000/- will have to be submitted through demand draft made in favour of Pay & Accounts Officer, Ministry of Informaton and Broadcasting payable at New Delhi.

2. Title of the Publication

Title verification shall continue to be done by the Press Registrar as per existing procedure.

3. Foreign Investment

(i) FDI will be allowed only where the resultant entity (hereinafter called "New Entity") is a company registered with the Registrar of Companies under the provisions of the Companies Act, 1956.

(ii) Only Foreign Direct Investment upto 26% of paid-up equity of the New Entity will be allowed.

(iii) Permission will be granted only in cases where equity held by the largest Indian shareholder is at least 51% of the total equity, excluding the equity held by Public Sector Banks and Public Financial Institutions as defined in Section 4A of the Companies Act, 1956, in the New Entity. The term largest Indian shareholder used in this clause will include any or a combination of the following:

(1) In the case of an individual shareholder,

(a) The individual shareholder

(b) A relative of the shareholder within the meaning of section 6 of the Companies Act, 1956

(c) A company/group of companies in which the individual shareholder/HUF to which he belongs has management and controlling interest

(2) In the case of an Indian company,

(a) The Indian company

(b) A group of Indian companies under the same management and ownership control

Provided that in case of a combination of all or any of the entities mentioned in sub-clause (1) and (2) above, each of the parties shall have entered into a legally binding agreement to act as a single unit in managing the matters of the New Entity.

(iv) while calculating the 26% FDI in the equity of the New Entity, the foreign holding component, if any, in the equity of the Indian shareholder companies of the New Entity will be duly reckoned on *pro-rata* basis so as to arrive at the total foreign holding in the New Entity.

At least 50% of the FDI will have to be inducted by issue of fresh equity. The balance, *viz.* upto 50% of the FDI, may be inducted through transfer of existing equity.

4. Processing of FDI proposals

All proposals for FDI in Indian entities publishing newspapers and periodicals shall be processed and decided upon in the Ministry of Information & Broadcasting on the basis of inter-ministerial consultation with the Ministry of Home Affairs and other ministries, as may be required.

5. (i) The applicant will be required to intimate the names and details of all persons not being resident Indians who are proposed to be inducted in the Board of Directors of the New Entity.

(ii) The Company will be liable to intimate the names and details of of any foreigners/NRIs to be employed/engaged in the New Entity either as consultants (or in any other capacity) for more than 60 days in a year, or, as regular employees.

6. The permission of the Ministry of I&B would be incumbent, *inter-alia*, upon the following:—

(i) Permission would be conditional on at least 3/4th of the Directors on the Board of Directors of the New Entity and all key executives and editorial staff being resident Indians.

(ii) The applicant and the New Entity making full disclosure, at the time of application, of Shareholders' Agreements and Loan Agreements that are finalized or porposed to be entered into. Any subsequent changes in these would be disclosed to the Ministry of I&B within 15 days.

(iii) The New Entity framing its Articles/Memorandum of Association to ensure compliance with the above.

(iv) It will be obligatory on the part of the New Entity to take prior permission from Ministry of Information & Broadcasting before effecting any alteration in the foreign shareholding pattern and the shareholding of the largest Indian shareholder indicated in clause 3(iii) above.

Display of Indecent display of Women

†2595. SHRIMATI MAYA SINGH: Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether it is a fact that the films containing the indecent display of women have been banned but such posters are still seen in the villages and towns;

(b) if so, Government's reaction thereto;

(c) whether Government propose to ban such posters in the country?

THE MINISTER OF INFORMATION AND BROADCASTING (SHRIMATI SUSHMA SWARAJ): (a) to (c) Action against display of obscene and indecent film posters is required to be taken by the State Governments and Union Administrations concerned. Such action is covered by Central and State legislations, including the Indecent Representation of Women (Prohibition) Act, 1986.

Scientific Programmes for Children on DD Channels

2596. SHRI P.G. NARAYANAN: Will the Minister of INFORMATION AND BROADCASTING be pleased to state:

(a) whether Government propose to telecast scientific programmes for children on DD Metro and Doordarshan National Channel;

(b) if so, the action being taken by Government for telecasting these programmes; and

(c) if not, the reasons therefor?

THE MINISTER OF INFORMATION AND BROADCASTING (SHRIMATI SUSHMA SWARAJ): (a) and (b) Prasar Bharati has intimated

†Original notice of the question was received in Hindi.